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Egypt

Citrus

Citrus Annual Report

1999

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Report Highlights:

Egyptian orange production for 1999/2000 is expected to increase by about 20 percent, but the exports increase is projected to be insignificant.

Includes PSD changes: Yes
Includes Trade Matrix: Yes
Annual Report
Cairo [EG1], EG

Fresh Oranges

PSD Table						
Country:	Egypt					
Commodity:	Oranges					
		1997		1998		1999
	Old	New	Old	New	Old	New
Market Year Begin		10/97		10/98		10/99
Area Planted	95	90	90	88	0	90
Area Harvested	86	81	80	84	0	85
Bearing Trees	4500	4260	4255	4415	0	4850
Non-Bearing Trees	4080	3868	3870	3782	0	3350
TOTAL No. Of Trees	8580	8128	8125	8197	0	8200
Production	1370	1350	1345	1442	0	1730
Imports	0	0	0	0	0	0
TOTAL SUPPLY	1370	1350	1345	1442	0	1730
Exports	180	205	145	215	0	220
Fresh Dom. Consumption	1175	1129	1183	1207	0	1490
Processing	15	16	17	20	0	20
TOTAL DISTRIBUTION	1370	1350	1345	1442	0	1730

Production

Orange production accounts for about 50 percent the total fruit production in Egypt. Its production season lasts from late fall through early spring. Orange cultivation is mainly centered in two large geographic regions: the fertile Delta area and the newly reclaimed lands. Egyptian citrus grown in arid areas (newly reclaimed desert land) is characterized by a low juice content, while fruit produced in the more humid regions, mainly along the Red Sea and Mediterranean coast, has a much higher juice content.

Three principal varieties of oranges are produced in Egypt: Navel, Valencia, and Baladi. There are two kinds of navel oranges, early maturing variety and late maturing variety. The early navel oranges are mostly consumed locally, while the late maturing varieties are mainly exported. The Valencia is a late maturing orange of high juice quality. The baladi orange is principally used for juice. The harvest of navel oranges begins in October and is followed by other varieties in November and December. Orange harvest usually lasts four to five months.

Although total orange area declined by about 2 percent in 1998/99, compared to 1997/98 season, total orange production increased by about 7 percent. The increase in orange production was mainly due to the increase in bearing trees area by 4 percent, in addition to the absence of a strong wind storm similar to the one which occurred in April of 1997 and caused damage to fruit sets for the 1997/98 crop. Orange production for 1999/2000 season (harvest started in October) is expected to be higher than the 1998/99 crop by about 20 percent. Most of the production increase is projected to be in the navel variety production, and it is mainly attributed to the increase in the bearing trees area by 10 percent, as well as good weather conditions during the growing season.

Consumption

Oranges are very popular in Egypt because they are inexpensive and readily available throughout the winter and early spring. Egyptians consume large amounts of oranges, both fresh and juice. Per capita consumption of oranges is estimated at about 20 Kg per year. At the present time, there are six major processors of orange juice companies in Egypt these include: Enjoy, Juhayna, Kaha, Edfina, Foodico and Faragalla companies, many of them depend on the baladi and summer varieties for processing. Domestic production is primarily destined for fresh consumption. Imported orange juice is also available in the market.

Trade

Egypt has excellent opportunities for expanding its citrus exports. Its principal advantages are the quality of oranges, the strategic geographic location, and more important the longest citrus season in the world (beginning in November and ending in April or May). Thus at the beginning and the end of its orange season, Egypt could be one of the very few exporters of oranges in the world market. Navel and Valencia are the best-selling Egyptian oranges. Total Egyptian orange exports in 1998/99 are estimated at 215,000 MT and valued LE 260 million, compared to 205,000 MT valued at LE 251 million in 1997/98 ($1=LE3.42). Most of this increase was due to the increased exports to Saudi Arabia as well as exports to new markets such as Hong Kong and other Asian countries. Saudi Arabia and the Gulf countries are currently the largest market for Egyptian oranges, which imports top quality navel oranges. According to orange exporters, for 1999/2000, exports are forecast to be about the same level as in 1998/99.

Egyptian orange exports to the European Union market continue to be limited by a small export quota, which is currently set at 8,000 MT per season. Under the Egyptian- European partnership agreement which is being finalized, Egypt is requesting to increase its orange export quota to the European market to 300,000 MT per season. Our trade and business contacts, however, indicate that the quota most likely will be around 60,000 MT per year. The European countries import "baladi" and summer varieties, mainly for juicing. In addition to the limitation of the export quota, there is a strong competition from other suppliers, such as Spain and Morocco, that are closer to European markets and use land routs which are much cheaper than Egyptian exports which have to reach the European markets by ship or plane.

The average export price for the 1998/99 season was between $375 and $435/MT/ fob, compared to $320-$390/MT/ fob for 1997/98. Reportedly, orange exports to non- traditional export markets for Egyptian oranges such as South East Asian countries, reached prices as high as $520/MT/ fob. Egyptian exporters prefer to sell for cash on an FOB basis in order to avoid the risk of the rejection of shipments or price adjustment due to low quality.

The following trade matrix includes export data for calendar year January-December, while PS&D table include exports for marketing year.

Export Trade Matrix			
Country:		Units:	MT
Commodity:			
Time period:			
Exports for	1997		1998
U.S.		U.S.	
Others		Others	
S.Arabia	123,144	S.Arabia	148,000
Emirates&Kuwait	33,400	Emirates	31,960
Russia	11,931	U.K	11,200
U.K	9,219	Russia	5,862
		Kuwait	5,211
Total for Others	177694		202233
Others not listed	29,026		15,393
Grand Total	206720		217626

Fresh Tangerines

PSD Table						
Country:	Egypt					
Commodity:	Fresh Tangerines					
		1997		1998		1999
	Old	New	Old	New	Old	New
Market Year Begin		10/97		10/98		10/99
Area Planted	35	35	36	37	0	37
Area Harvested	30	30	31	33	0	34
Bearing Trees	2000	2018	2020	2145	0	2025
Non-Bearing Trees	1008	992	990	926	0	995
TOTAL No. Of Trees	3008	3010	3010	3071	0	3020
Production	455	460	460	423	0	465
Imports	0	0	0	0	0	0
TOTAL SUPPLY	455	460	460	423	0	465
Exports	10	10	10	9	0	10
Fresh Dom. Consumption	442	445	445	409	0	450
Processing	3	5	5	5	0	5
TOTAL DISTRIBUTION	455	460	460	423	0	465

Production

The major variety of tangerines grown in Egypt is mandarin. The type of mandarin produced is local "Baladi" which is not a hybrid variety. Although mandarin trees bear fruits at an earlier age than orange trees, producers still prefer planting oranges as their return is more profitable. Tangerines are mainly produced for the local market, with limited quantities for the export market.

In 1998/99 season, total tangerines production, decreased by 8 percent, compared to the 1997/98 season. This was due to a decrease in the average yield from 6.2 MT/feddan in 1997/98 to 5.4 MT/feddan in 1998/99. For 1999/2000 season, it is estimated that tangerines productions will be 10 percent higher than the 1998/99, with most of the increase attributed to the fact that many of the new trees in the newly reclaimed areas have reached their optimal bearing age.

Consumption

Despite the predominance of orange production. Many Egyptian consumers actually prefer tangerines to oranges, because tangerines are easier to peel.

During the 1998/99 marketing season, tangerines wholesale prices averaged LE 0.60 per Kg and retail prices were around LE 1 per Kg. The tangerines marketing season is shorter than the orange season. It begins at about the same time about November/December and ends in February/March, about two months earlier than the orange season. For 1999/2000 season, tangerines prices are expected to drop significantly due to increased production.

Trade

Mandarins do not require a special cleaning or waxing process. Total Egyptian tangerine exports in 1998/99 are estimated at 9,000 MT, of which 2,708MT were exported to Saudi Arabia (the major export market for Egyptian tangerines), 2,635 MT to Kuwait, and 1,853 MT to Estonia. In 1998/99 season, the average export price of for tangerines was estimated at about US$ 250 per MT FOB.

Fresh Citrus, Other

PSD Table						
Country:	Egypt					
Commodity:	Fresh Citrus, Other					
		1997		1998		1999
	Old	New	Old	New	Old	New
Market Year Begin		10/97		10/98		10/99
Area Planted	17	17	17	17	0	17
Area Harvested	16	16	16	15	0	16
Bearing Trees	740	740	745	730	0	750
Non-Bearing Trees	610	610	610	620	0	600
TOTAL No. Of Trees	1350	1350	1355	1350	0	1350
Production	350	350	355	325	0	350
Imports	0	0	0	0	0	0
TOTAL SUPPLY	350	350	355	325	0	350
Exports	12	13	14	16	0	15
Fresh Dom. Consumption	328	327	328	298	0	323
Processing	10	10	13	11	0	12
TOTAL DISTRIBUTION	350	350	355	325	0	350

Production

Sweet and sour limes and bitter oranges are the major types of other citrus produced in Egypt. Limes, known as "Lamuun" in Arabic, account for most of this category. Lime trees produce throughout the year, with the greatest output occurring in the late summer months of September and October. Egyptian consumers have a strong preference for limes. Fresh sliced limes usually are served with most of the meals. A heavily sweetened fresh juice made from limes is also a very popular drink, as are pickled limes which accompany many dishes. Most of the production of bitter orange is processed into jelly and marmalade. Reliable statistical data on the production and marketing of bitter oranges is not available.

Grapefruit is another citrus fruit that is not very popular in Egypt. Most of the grapefruit grown are seedless varieties. The harvest usually begins in December and ends in February. The area currently under cultivation is estimated at approximately 220 hectares, mainly to service hotels, restaurants and other facilities that cater to the tourist industry. Unless export demand increases, grapefruits are not expected to become a significant citrus crop.

Total Egyptian exports of citruses, other than oranges and tangerines in 1998/99 increased to 16,000 MT, from 13,000 MT in 1997/98.